

CHAPTER 686

S.B. No. 1089

AN ACT

relating to the farm and ranch loan security fund.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 252.082, Agriculture Code, is amended to read as follows:

Sec. 252.082. *USE OF FUND INCOME* [~~INTEREST AND SINKING FUND~~]. ~~[(a)] The commissioner shall use the income from the [interest and sinking fund for] farm and ranch loan security fund [bonds is created to be used exclusively] for the following purposes:~~

(1) ~~the grant programs under Sections 44.004, 44.005, and 44.006 of this code, in an amount not to exceed \$350,000 [paying the principal of farm and ranch loan security bonds as they mature];~~

(2) ~~the produce recovery fund under Chapter 103 of this code, in an amount not to exceed \$237,000 [paying interest on the bonds as it comes due]; [and]~~

(3) ~~the farm and ranch finance program fund, established by Article III, Section 49-f, of the Texas Constitution, in an amount not to exceed \$600,000;~~

(4) ~~the Texas-Israel Semi-Arid Fund under Chapter 45 of this code, in an amount not to exceed \$250,000;~~

(5) ~~a program administered by the department to reduce the use of pesticides in the production of agricultural crops, in an amount not to exceed \$400,000; and~~

(6) ~~the program for the benefit of young farmers under Chapter 253 of this code, in an amount not to exceed the income balance from the farm and ranch loan security fund [paying exchange and collection charges in connection with bonds].~~

~~[(b) Except as otherwise provided by this subsection, the comptroller of public accounts shall credit accrued interest received in the sale of bonds and income from investments of the loan security fund and the interest and sinking fund to the interest and sinking fund. If the accrued interest and income in any year exceeds the cost of paying principal and interest on~~

~~farm and ranch loan security bonds and any exchange and collection charges, the comptroller shall transfer the amount in excess of these payments to the credit of the farm and ranch security fund for the purpose of financing payment adjustments.~~

~~[(e) After all bonds have been paid, the comptroller shall transfer the balance of the interest and sinking fund to the credit of the farm and ranch loan security fund.]~~

SECTION 2. Section 252.083, Agriculture Code, is amended to read as follows:

Sec. 252.083. INVESTMENT OF FUNDS. [(a)] The commissioner may invest the farm and ranch loan security fund as authorized by Chapter 401, Acts of the 60th Legislature, Regular Session, 1967 (Article 6252-5a, Vernon's Texas Civil Statutes). In accordance with that procedure, the commissioner may invest and direct the investment of the farm and ranch loan security fund in any general or special obligations of this state or any of its political subdivisions, authorities, agencies, or political corporations or in the general or special obligations of any other state or its subdivisions, agencies, or authorities.

~~[(b) The commissioner may invest the interest and sinking fund only in direct obligations of the United States, certificates of deposit in Texas banks, or in obligations the principal and interest of which are guaranteed by the United States.]~~

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on April 28, 1993: Yeas 31, Nays 0; the Senate concurred in House amendment on May 27, 1993: Yeas 31, Nays 0; passed the House, with amendment, on May 21, 1993: Yeas 134, Nays 0, one present not voting.

Approved June 17, 1993.

Effective June 17, 1993.